

County of Los Angeles  
**DEPARTMENT OF PUBLIC SOCIAL SERVICES**

12860 CROSSROADS PARKWAY SOUTH • CITY OF INDUSTRY, CALIFORNIA 91746  
Tel (562) 908-8400 • Fax (562) 908-0459



BRYCE YOKOMIZO  
Director



**REVISED**

March 16, 2004

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Board of Supervisors  
GLORIA MOLINA  
First District  
YVONNE BRATHWAITE BURKE  
Second District  
ZEV YAROSLAVSKY  
Third District  
DON KNABE  
Fourth District  
MICHAEL D. ANTONOVICH  
Fifth District

Dear Supervisors:

**RECOMMENDATION TO APPROVE AN AMENDMENT WITH EACH OF THE  
THIRTEEN ALTERNATIVE PAYMENT PROGRAM AGENCIES  
IN LOS ANGELES COUNTY FOR THE PROVISION OF  
STAGE 1 CHILD CARE SERVICES  
TO CalWORKs PARTICIPANTS  
(ALL DISTRICTS - 3 VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

Delegate authority to the Director of the Department of Public Social Services (DPSS) to prepare and execute 13 amendments, substantially similar to the enclosed sample amendment (Attachment I), to extend existing contracts with the 13 Alternative Payment Program (APP) agencies for the provision of Stage 1 Child Care Services to CalWORKs participants for one month, beginning April 1, 2004, through April 30, 2004. The estimated amount for the extension is \$13,217,785 fully funded by Stage 1 Child Care allocation and therefore there is no net County cost (NCC) impact. Funding for the amendments is included in the FY 2003-04 Final Adopted Budget.

**PURPOSE/JUSTIFICATION OF RECOMMENDATION**

The current contracts for these services expire March 31, 2004. On November 18, 2003, your Board delegated authority to the DPSS Director to extend services effective January 1, 2004 through March 31, 2004 while DPSS continued to negotiate contract provisions with the APPs, include performance measures and evaluate the impact of new child care payment rates.

DPSS successfully negotiated a new contract with the APPs. We are seeking this extension to allow us time to finalize a new 26-month contract.

### **Implementation of Strategic Plan Goals**

The amendments are consistent with the principles of Countywide Strategic Plan Goal #5: Children and Families' Well-Being by continuing and supporting the Department's efforts to ensure the well-being of children in Los Angeles County with access to quality child care.

### **FISCAL IMPACT/FINANCING**

The cost of the 13 amendments for one-month is estimated at \$13,217,785, of which \$1,551,117 is for administrative costs, including collocated staff and outreach activities. The remaining costs are direct payments to child care providers for providing child care to children of CalWORKs participants.

The costs of these amendments will be funded entirely with CalWORKs Stage 1 Child Care funds. There is no NCC impact. Funding for the amendments is included in the FY 2003-04 Final Adopted Budget.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

California Educational Code 8350 requires three stages of Child Care Services. Section 8351 of the same code requires county welfare departments to manage the first stage (Stage 1). Subsection 8351(e) allows counties to contract for any or all Stage 1 Child Care Services. Stages 2 and 3 Child Care Services are under the jurisdiction of the California Department of Education (CDE). CDE contracts with the same agencies DPSS contracts with for Stage 1 Services to operate the local Stages 2 and 3 programs.

The current Stage 1 Child Care Services contracts went into effect January 1, 2001 and they will expire March 31, 2004. The County has contracted for Stage 1 Child Care Services since December 1998.

Per subsection 2.121.250B.1 of the County Code, these contracts are not subject to Prop A contract requirements.

Under the Agreements, the contractors must ensure that the parent is provided with the necessary information and assistance to make an informed child care choice, determine that the parent is eligible to receive child care services, and process the child care certification within a specified time period. The contractors must also process provider payments.

This amendment has been approved as to form by County Counsel.

### **CONTRACT PROCESS**

No additional solicitation process was required for these amendments since they are extensions of existing Agreements.

### **IMPACT ON CURRENT SERVICES**

The amendments will allow the County to continue to provide State required Stage 1 Child Care Services.

Extending these contracts will not infringe on the rights of the County in relationship to its residents and the County's ability to respond to emergencies will not be impaired. There is no change in risk exposure to the County.

### **CONCLUSION**

The Executive Officer, Board of Supervisors, is requested to send one approved copy of this Board Letter to the Director of DPSS.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Bryce Yokomizo", followed by a small circular mark.

Bryce Yokomizo  
Director

BY:cjr

Enclosures

c: Chief Administrative Officer  
County Counsel

**AMENDMENT NUMBER \_\_\_\_ TO THE AGREEMENT BETWEEN  
THE COUNTY OF LOS ANGELES AND  
\_\_\_\_\_  
FOR THE PROVISION OF CalWORKs STAGE 1 CHILD CARE SERVICES**

Reference is made to the documents entitled "CalWORKs Stage 1 Child Care Services Contract" by and between the County of Los Angeles and the \_\_\_\_\_, dated January 1, 2001, and further identified as County Agreement #CW \_\_\_\_\_ (hereinafter referenced as "Agreement") and Amendment Number \_\_\_\_\_ to the Agreement and amended on this \_\_\_\_\_ day of \_\_\_\_\_, 2004.

NOW, THEREFORE, COUNTY and CONTRACTOR hereby agree to extend the term of the Agreement as follows:

- A. Effective March 31, 2004, Part II, **TERM OF CONTRACT**, Section 1., is amended by adding the following new paragraph:

Subject to COUNTY's right to terminate earlier for convenience, non-appropriation of funds or default of CONTRACTOR, or any other terms allowing earlier termination, the term of this Agreement shall be extended commencing April 1, 2004 and terminating April 30, 2004.

- B. Effective April 1, 2004, Part IV., **COMPENSATION**, Section 1., Operational/ Administrative Fees, Subsection 1.1, Subparagraph 1.1.4 is deleted in its entirety and replaced with Subparagraph 1.1.4 as follows:

CONTRACTOR shall issue to COUNTY, no later than April 30, 2004, a list and diskette of providers with outstanding Provider Payment Requests for child care rendered prior to May 1, 2004, for whom no payment was issued, unless COUNTY and CONTRACTOR have entered into a new contract which sets a later date for the delivery of such a list and diskette. COUNTY shall reconcile CONTRACTOR list to ensure previous payment has not been issued prior to assuming sole responsibility for receiving outstanding Provider Payment Requests and issuing requested payments after April 30, 2004. If COUNTY disagrees with the CONTRACTOR's list of Provider Payment Requests, COUNTY and CONTRACTOR shall meet within ten (10) calendar days and resolve the disagreement.

Should Contract be terminated prior to its expiration date, the list and diskette of Provider Payment Requests shall be submitted within fifteen (15) calendar days of the expiration date.

- C. Effective April 1, 2004, Part **VII.**, **FURTHER TERMS AND CONDITIONS**, Section 40, TERMINATION FOR CONVENIENCE OF COUNTY, Subsection 40.2, Paragraph B., is amended as follows:

Comply with the provisions of Section IV, Paragraph 1.1.3, including taking all reasonable and necessary steps to cancel all leased or rented space agreements entered into through April 30, 2004 to perform the services terminated hereunder.

- D. Effective April 1, 2004, Part **VII.**, **FURTHER TERMS AND CONDITIONS**, Section 40, TERMINATION FOR CONVENIENCE OF COUNTY, Subsection 40.3, is replaced as follows:

Subject to the provisions of the subparagraph 40.2, COUNTY and CONTRACTOR shall negotiate an equitable amount to be paid CONTRACTOR for costs incurred by reason of the total or partial termination of work pursuant to this clause. The negotiated amount shall not result in Operational/Administrative Fees exceeding the cost-per-case rate in Part IV, Section 1.1 times the average monthly number of cases from April 1, 2004 to the termination date times the number of days remaining in the contract, and shall not result in fixed or Outreach Fees for the year exceeding the monthly fees in Section IV, Paragraph 2.1 times the number of days remaining in the contract. CONTRACTOR's termination claim and invoice may include, but not be limited to, the following costs:

- A. Costs for that part of the work already performed prior to the effective date of the total or partial termination;
- B. Remaining costs of rental or leased space agreements, if any, after CONTRACTOR's compliance with this Section VII, Paragraph 40.2b.

Such costs shall not exceed the remainder of \$XX for rental and leased space agreements through April 30, 2004;

- C. Staff costs incurred in Contract close down; and
- D. Other costs, if any, incurred pursuant to the total or partial termination, such as copying of files and documents.

- E. Effective April 1, 2004, **ATTACHMENT E-2, CONTRACTOR BUDGET**, is deleted in its entirety and is replaced with Attachment E-3, Contractor Budget. As of the effective date of the Amendment, wherever it appears in the Agreement, the term "Attachment E", and/or "Attachment E-1" and/or "Attachment E-2" shall be replaced by the term "Attachment E-3."

All other terms and conditions remain in effect.

The parties hereto have caused this Agreement to be executed by their authorized officers.

**COUNTY OF LOS ANGELES**

By: \_\_\_\_\_  
Bryce Yokomizo, Director  
Department of Public Social Services

**CONTRACTOR**

By: \_\_\_\_\_  
Executive Director

APPROVED AS TO FORM:

Lloyd W. Pellman, County Counsel

By: \_\_\_\_\_  
Deputy County Counsel

**RESOURCE AND REFERRAL/ALTERNATIVE PAYMENT PROGRAM AGENCIES  
CalWORKs STAGE 1 CHILD CARE**

**CONTRACTOR BUDGET**

**April 1 - April 30, 2004**

<b>AGENCY NAME</b>	<b>ESTIMATED ADMIN. COST</b>	<b>ESTIMATED COLLOCATION</b>	<b>ESTIMATED OUTREACH</b>	<b>ESTIMATED 1 MONTH TOTAL</b>
CCFS	\$ 137,117	\$ 4,350	\$ 1,088	\$ 142,555
CCIS	\$ 76,784	\$ 0	\$ 609	\$ 77,393
CCRC	\$ 148,468	\$ 28,052	\$ 1,227	\$ 177,747
CHS	\$ 188,374	\$ 44,249	\$ 1,532	\$ 234,155
City of Norwalk	\$ 10,591	\$ 0	\$ 84	\$ 10,675
Connections	\$ 32,403	\$ 0	\$ 257	\$ 32,660
Crystal Stairs	\$ 287,336	\$ 26,905	\$ 2,279	\$ 316,520
Drew CDC	\$ 85,354	\$ 0	\$ 705	\$ 86,059
Inter. Institute- LA	\$ 18,150	\$ 0	\$ 150	\$ 18,300
MAOF	\$ 144,741	\$ 12,402	\$ 1,148	\$ 158,291
Options	\$ 92,880	\$ 16,315	\$ 762	\$ 109,957
Pathways	\$ 79,555	\$ 0	\$ 631	\$ 80,186
Pomona USD	\$ 96,199	\$ 9,657	\$ 763	\$ 106,619
<b>TOTAL</b>	<b>\$ 1,397,952</b>	<b>\$ 141,930</b>	<b>\$ 11,235</b>	<b>\$ 1,551,117</b>

4/1/04